FORCE ACCOUNT EVALUATION--WYOMING BLM

BACKGROUND

At the Wyoming Management Team Meeting held in Casper, Wyoming, in February, 1996, the Management Team requested that Kurt Kotter and Jerry Jessen proceed with the evaluation of the Force Account (FA) operations in Wyoming. In the past few years there have been other FA evaluations in Wyoming reviewing equipment utilization, project scheduling, etc. The current evaluation is the direct result of Wyoming losing additional FA personnel to the Bureauwide buyout program. Consequently in March, 1997, the Rock Springs District Office will lose two of their FA personnel. This will leave Wyoming ELM with the following FA personnel on board:

Rawlins District Office (RDO) 4
Rock Springs District Office (RSDO) 1
Worland District Office (WDO) 1
Casper District Office (CDO) 0

The evaluation team was requested to review the following areas of the FA operation:

* Statewide heavy equipment availability and utilization

* Availability of FA personnel and potential for placement and/or zoning.

* Projected availability of funding.

* Opportunities to contract FA work.

* Opportunities to recruit FA personnel (skill needs, and type of appointment - WAE, WG, PFT, PET, etc.)

The need for the evaluation is intensified by recent Bureau efficiency initiatives. These include discontinuance of the Working Capital Funding (WCF) for heavy equipment, reduction of leased space for warehouse and shop buildings, and the uncertainty of normal project funding levels for the 1620 activity.

Statewide Heavy Equipment Availability and Utilization

Appendix A, Heavy Equipment Usage Report, shows where the equipment is presently located in Wyoming ELM, and it also shows the average usage (monthly and annually) for the last two fiscal years. Clearly, a large percentage of the heavy equipment is

under utilized as measured against the BLM's working capital fund (WCF).

The national WCF has already ceased to collect the fixed ownership rate. Through FY 97 they will collect the operating costs, even though they are going to pay very little of the operation and maintenance costs. After FY 97 they will only collect enough of the operating costs to cover fuel charges.

The WCF in Denver intends to continue collecting and reporting usage data on all of the heavy equipment and trucks. Therefore, the usage data needed to assess and collect the fixed ownership and usage rates will be available to us, if we decide to utilize the data.

We recommend that a BLM Wyoming WCF be established. This WCF would collect the fixed ownership rate beginning in FY 97. After FY 97 we would make arrangements to cover the operating costs over and above the fuel costs. In FY 97 we will have to cover both the use rate charged by the WCF and most of the repair costs. This could create a real budget problem if we have a major breakdown on a piece of heavy equipment.

A logical way to establish replacement criteria would be to adopt the present national WCF age and usage formula for individual pieces of equipment. We would have to wait several years to begin replacing equipment and trucks, depending upon how fast the fund builds up. After the fund has built up, we would have to request replacement priorities from the districts in the same way we do now and prioritize replacements on a statewide basis. If the national WCF were reinstated, we could place our collected monies into that fund and it would still be earmarked for Wyoming usage. The equipment that the districts currently own that is not part of the current WCF would need to be replaced and maintained out of each district's operating funds.

The requirements to establish an in-state fund are:

1. There would have be a separate account created for holding the replacement funds.

2. We would have to monitor the fixed ownership and usage costs to make sure that adequate funds are collected to cover costs.

The advantage to setting up a Wyoming BLM WCF would be that we would manage the heavy equipment operation/maintenance and replacement programs in much the same manner as they are now.

By office last year's charges were approximately:

	Fixed Ownership	Use Rate
Worland	$10,248	$14,582
Rawlins	43,980	49,820
Rock Springs	45,204	40,659
Casper	1,116	500
State Office	1,704	48
Statewide total	$102,252	$105,609

Availability of FA Personnel and Potential for Placement and/or Zoning.

BACKGROUND: The work load for our equipment operators and maintenance personnel has increased over the years. Since 1991, the facility maintenance workload has greatly increased, especially in the Rawlins and Rock Springs Districts. At that time, the ownership of the Rawlins and Rock Springs administrative complexes transferred to the Bureau, resulting in a much larger building and yard maintenance workload for those two districts. In 1991, we also initiated a program of upgrading and modernizing a majority of the developed and partially developed recreation sites in the state. The upgraded recreation sites also require diligent annual preventive maintenance. A majority of our mainline roads have been upgraded to the required standard roadwidth templet. An annual/biannual maintenance frequency is usually required on these roads in order to preserve the roadway templet and running surface. We have also assumed the responsibility of additional maintenance related to recreation activities, including Fontenelle Reservoir in Rock Springs, Rim Reservoir in Rawlins, east side Pathfinder Reservoir in the Casper District, and several cooperatively administered trail heads in the Cody RA.

Maintenance of the federal investment on the public land needs to be our number one priority. It is evident from the team discussions that we are not being consistent in how we look at maintenance responsibility within Wyoming BLM. It simply does not make sense to continue building new projects while we stand by and allow existing projects to deteriorate because of inadequate maintenance. It appears in some instances that the BLM is maintaining some projects that would be more appropriately maintained by the benefitting party rather than the BLM. The BLM needs to provide a sufficient level of project inspection to

document the level of maintenance that is occurring. Lack of timely maintenance shortens the life span of the projects and thereby decreases the value of the federal investment on-the-ground. The terms of existing cooperative agreements must be enforced and appropriate management actions taken if normal maintenance is not being completed.

OPTIONS TO SHARE POSITIONS AND ZONE WORK

1. Well Service for Recreation, Range, and Wildlife Projects:

RSDO--With only one position remaining in Rock Springs there is limited opportunity to share. The one remaining position is Maintenance Mechanic, Rick Walter. He has the skills to service pumps and windmills for both southern Districts. For safety reasons he requires help from one skilled laborer. Rick currently services and provides technical assistance for 50 wells, primarily in the Pinedale Resource Area and a few wells in Green River Resource Area. The majority of wells in Rawlins are in the Lander Resource Area north of the checkerboard below Green Mountain. There is potential for Rick to service those wells if needed. The problem that requires analysis is the timing of the need for the wells and season of use. If there is a conflict then there may not be a realistic sharing opportunity. For example, the well work in Rock Springs is routinely done in May, June, and the last two weeks of September. Rock Springs would furnish the well service vehicle and hoist.

The well work in Rock Springs is supplemented by one available contractor, WARCO Pump Service.

2. Road Maintenance:

It is the recommendation of this team that maintenance on the bulk of the roads with defined running surfaces be contracted. The ELM traditionally makes the case that we (ELM) can do the road maintenance when the moisture conditions are `~~g~~fl While this is intuitively a true statement, our overall experience on-the-ground is something less than stellar. The ELM should concentrate on those road segments that require major maintenance or reconstruction; i.e., where we have significant public safety concerns and/or resource problems. For example, there is opportunity to combine work and organize work projects to gravel and install culverts on selected roads. If the FA does have the primary responsibility for road maintenance, it is essential that BLM's managers do a better job of scheduling both people and equipment.

We also have the opportunity to share this workload across district boundaries. For example, in FY 1997, the RSDO could use the assistance of the RDO Equipment Operator stationed in Lander

if RSDO is not able to fill one of their vacant FA positions. It appears there is opportunity to organize the work of this operator and combine RDO work on South Pass with RSDO roads along the Wind River Front and a few roads near Pinedale and Farson. This would also include Forest Service roads as a part of existing shared maintenance agreements. This would amount to approximately 80 miles of road. Normally this work starts in May and finishes in June. These roads are constructed of granitic soils that must be bladed in the spring with high soil moisture. The remaining roads in RSDO would be completed by contract or Forest Service graders.

3. Pipelines and Spring Development:

After April 1997 the RSDO will need the assistance of skilled ~laborers and equipment operators to install pipelines and spring developments for range and wildlife improvements. The option to contract this type of specialized work will increase the cost several times. FA construction of pipelines is our best option. Normally these projects last from a week to two weeks and include laying the pipe and then hooking up the troughs and associated storage tanks. The range users in Southern Wyoming depend on the BLM's ability to develop springs and install water pipelines. It is now common for the users to request ELM crews in both southern districts to construct these projects with contributed funding. Wyoming Game and Fish now promotes water pipelines to facilitate moving livestock away from important riparian areas.

OPTIONS TO LEASE, ZONE OR SHARE HEAVY EQUIPMENT

Leasing: Leasing has been discussed in previous staff reports. Basically leasing is not a feasible economic alternative except for unusual projects. Leasing usually requires the ELM to furnish an operator. The RDO has had several experiences where leased equipment has broken down and the BLM has had to fix it up as new. One possible option is daily and weekly rental of forklifts and other small equipment as needed.

Basic Need: Each southern District requires access to a minimum level of equipment. This assumes that each District has a basic pool of funding to utilize and maintain the equipment. Additionally, each office would have to have access to the appropriate equipment operators. The basic equipment `package" for each of the two southern districts is listed as follows:

1. Forklifts (1 per facility/wareyard)
2. Backhoe (1)
3. Dump Truck (1)
4. Transport (1) and trailer(s)
5. Grader (I)

6. Service Trucks, 1 Ton (4)
7. Crawler Tractor (1) The idea here is to continue to use the RDO piece of equipment until we run up against major maintenance costs. At that point, the decision would probably be to share with RSDO.

Optional Need:

1. Crawler Tractor*
2. Grader*
3. Frontend Loader 3 C.Y.*
4. Well Service Rig
5. Belly dump trailer(s)

* These are equipment where the lease cost is prohibitive unless there is project specific justification, There are few if any local sources of short term lease or rental agreements that are without an operator. Historically it has been cheaper to own the equipment rather than lease it for short periods.

Zoning Option: Zoning the equipment is an option but scheduling is a problem when there are concurrent projects and periods of use between various field offices. A preferred option is to zone the work rather than the equipment. This would require a management commitment to maintain skilled operator positions and a commitment for project planning and inter office coordination to the degree that has not been evident in Wyoming BLM.

Projected Availability and Distribution of Funding:

Table 1. WY BLM Cost Targets for 8100 and 1620.

Fiscal Year	8100	1620
1992	$1,420,000	$2,234,000
1993	$1,604,000	$2,406,000
1994	$1,469,000	$2,637,000
1995	$1,572,000	$2,198,000
1996	$1,225,000	$2,200,000
1997 (Estimated)	$1,027,000	$2,200,000

The ongoing transition of Wyoming BLM to a flatter organizational model emphasizes the need to employ a statewide perspective as we consider the future placement of scarce/special skills and

capabilities. A two tier BLM organization in Wyoming will require the informed involvement of more rather than fewer employees in the distribution and expenditure of 8100 funds than has occurred in the past. It will also require the identification of procedures to insure accountability. In most cases, this will amount to raising up the coordination responsibilities that have rested with the existing districts to the state office level. The state office 8100 program contact will need to fill the void created when the intermediate field layer goes away. This is particularly true in light of the zoning of the engineering and force account capabilities. Not every field office will have the `stand alone" capability to function independently.

This will necessitate the development and implementation of specific procedures to facilitate orderly operations. The procedures utilized to allocate and account for 8100 funds may also prove useful for the allocation and accountability of other funds to project planning and construction. This piece of work, while very important in the long run, is outside the scope of this assignment.

Allocation of Facility Maintenance Funding:

The Facility Inventory Maintenance Management System (FIMMS) is the base for allocating subactivity 1620 funding. FIMMS identifies the funding needs for annual and corrective maintenance of each Bureau owned building- yard facility, recreation site, road, trail and bridge facility. Regardless of organizational structure, funding for the facility maintenance and upgrade including engineering planning, design and supervision uses FIMMS as the base for the allocation.

Opportunities to Contract FA Work:

BACKGROUND: The decreasing FA capability is not consistent with the increasing workload for maintenance of Bureau owned facilities, improvements, and the continued demand for construction of new projects. The alternative is to increase the ability to contract the work and to maximize the flexibility within the Federal Procurement Regulations. In addition there needs to be delegation of procurement authority at the field office level in order to procure local contractors to do the necessary work. The field offices are responsible to accomplish the routine project/ maintenance work. The impacts of decrease FA positions coupled with centralized procurement tend to work at cross purposes with getting the work done timely and efficiently. Maintaining the existing contracting procedures, without increasing the engineering/technician support, complicates the problem.

ISSUE: The current concept of centralized procurement at the State Office is not compatible with the mission and problems of today. There needs to be additional flexibility to work in a partnership mode with local service contractors for the maintenance and modification of existing structures and facilities. With reduced skilled FA support, local private contractors are an important resource for the maintenance of our federal facilities. When there are problems with the heating systems, plumbing systems, pumps, pipelines, etc. we have to be able to react with trouble shooting and repairs by qualified tradesmen and technicians. For most of this work it is not practical to engineer and detail every item and step prior to selecting a contractor or accepting his bid.

RECOMMENDATION 1: There needs to be a procurement arrangement to be able to call up service contractors with indefinite quantity and delivery of work and products for routine and unscheduled work. Basically, a blanket purchase order arrangement with time and material pay items. The hourly rates and material cost markup could be predetermined and a basis of award.

RECOMMENDATION 2: There needs to be a delegation of procurement authority to the field offices to be able to procure routine construction and service work. The current delegation of $2000 for construction, and $2500 for service purchases to the districts, is how Wyoming BLM operated 30 plus years ago. For a few years there was a delegation of authority and the success of this effort is documented in the decisions of the Bureau management team at the time, and in the final report of the RSDO Pilot Productivity Effort. The goals of centralized procurement authority are inconsistent with resolving the problems of decreasing FA staff support, and decreasing access to the trade skills those positions provided. The level of the delegation should be at least the level of small purchases; i.e., $10,000 to $25,000.

Appropriate Types of Career Appointments:

Given that we presently have certain FA employees on board, what additional capabilities would maximize the efficiency of our existing resources? Seasonal "helpers" for PFT FA people can provide much needed assistance at significantly lower cost than would be realized if the PFT FA personnel had only themselves to rely on for the extra hand or eye. BLM managers need to understand that the decision whether or not to hire seasonal employees can have far-reaching impacts on the efficiency and productivity of skilled, experienced (and relatively costly) PFT Equipment Operators.

Table 2. Minimum FTE Levels for FA Work

DISTRICT	PERMANENT PERSONNEL NEEDS	TEMPORARY PERSONNEL NEEDS
RSDO	1 FTE Bldg./Rec. Maint. 2 FTE - 8100/Wildlife Proj. each) 1 FTE - Road Work	1 FTE - Seasonal (2 @ 6 months
RDO	1 FTE - Bldg./Rec. Maint. 2 FTE - 8100/Wildlife Proj. ach) 1 FTE - Road Work	2 FTE - Seasonal (4 @ 6 months
WDO	1-1/2 FTE - 8100/Road Work	1 FTE - Seasonal (2 @ 6 months each)
CDO	Schedule with other offices	None

In effect, the maintenance of something traditionally called a "FA" crew establishes a sole source contractor for the field offices to use when it proves to be the most efficient method available for the accomplishment of specific "on-the-ground" tasks. This implies some specific responsibilities for each unit. In order to maximize efficiencies, the field offices must improve the way they plan, design and prioritize specific projects that are to be reserved for the FA.

The Resource Specialist(s) who have identified the need for the project can assist the FA crew significantly by retaining an interest in the project from beginning to end. It is important that they understand what happens on-the-ground. This experience will enable the specialists to better understand the need for appropriate planning, and they will develop more of an appreciation for the "dirt" work end of the business. Centralized FA crews can not be reasonably expected to develop and maintain intimate knowledge of the project areas and sites, access conditions, interested parties, or other desired coordination.

RECOMMENDATIONS

1. Maintenance of the long term federal investment in the public lands is the highest priority.

2. Wyoming BLM needs to maintain a FA capability. (See Table 2 for the proposed staffing levels.) Seasonal employees are an important part of this staffing plan. Concentrate the FA efforts on those jobs that they do best, and contract the rest.

3. Zone the work rather than the employees. The employees can generally work from their present duty stations. As vacancies occur, they should be looked at on a statewide basis. It is evident that not every office will have the capability for a stand alone FA.

4. Road maintenance. There is a logical mix of FA and private contracting. The districts should make more of an effort to share capabilities.

5. Minimum levels of heavy equipment are identified for the two southern Districts. CDO and WDO would maintain the equipment listed for them in Appendix A.

6. The allocation of 1620 funds should follow the criteria developed for the 8100 funds.

V. Establish a Wyoming BLM WCF. (This needs some detailed additional staffing to see what makes the most sense with respect to handling maintenance costs.)

8. Procurement delegation to the field offices should be increased.

APPENDIX A
USAGE AND EQUIPMENT COSTS FOR HEAVY EQUIPMENT FY 94-95

Vehicle Description	Average Monthly Use (miles or hours)	WCF Required Use (miles or hours/month)	Average Annual Usage	Fixed ownership Rate	Use Rate (per mile or hour)	Average Annual Use Charge	Average Annual Unit Cost
			WORLAND				
Forklift	6	30	69	129	5.55	2,011	24.23
Motor Grader	41	30	496	409	21.25	16,390	33.50
Loader-Rackhoe	34	30	406	236	3.65	4,312	10.00
Crawler (from Rawlins						3,926	
Truck Tractor (from Rawlins						1,220	
				TOTAL FOR WORLANO DISTRICT		$20,804	
			RAWLINS DISTRICT				
Dump Truck I-131446	149*	625	1,784*	406	0.57	3,844	3.30*
Truck Tractor I-159295	342	833	4,102	329	0.70	6,819	1.72
Truck Tractor I-160544	670*	833	8,040*	329	0.70	6,485	1.19*
Forklift M002608	5	30	61	93	5.75	1,590	29.59
Forklift M002609	13	30	161	129	5.55	2,443	60.52
Forklift I148096	9	30	132	100	5.55	2,102	27.79
Motor Grader I-141040	31	30	493	302	21.25	13,764	38.94
Motor Grader I-159293	40	30	478	459	21.25	16,013	34.79
Loader-Backhoe I-148161	15	30	172	236	3.65	3,461	20.35
Crawler Tractor D6	38	30	446	820	26.35	19,452	47.45
Loader Backhoe I-130588	14	30	160	368	14.32	6,702	43.93
Farm Tractor	5	30	50	132	5.50	1,859	38.01
1995 JD Loader		30		351	13.20	4,025*	
Truck Tractor I-162742	403	833	4,831	329	0.70	7,330*	1.52*

Vehicle Description	Average Monthly Use (miles or hours)	WCF Rquired Use (miles or hours/month)	Average Annual Usage	Fixed ownership Rate	Use Rate (per mile or hour)	Average Annual Use Charge	Average Annual Unit Cost
				TOTAL FOR RAWLINS DISTRICT		$95,889	
			ROCK SPRINGS DISTRICT				
Truck Tractor I-199309	550	833	6,594	329	0.70	8,564	1.30
Truck Tractor I-165637 Used by the wild horse program	940	833	11,277	329	0.70	11,842	1.06
Dump Truck	138	625	1,651	406	0.57	5,813	5.66
Loader I-138605	47	30	130	351	13.20	5,930	51.24
Crawler Tractor	22	30	269	827	26.35	16,999	64.05
Motor Grader	38	30	457	489	21.25	15,584	34.18
Loader-Backhoe	10	30	125	236	3.65	3,288	27.52
Forklift I-159310	12	30	143	93	5.75	1,938	l7.28
Forklift-Electric I-144953	23	30	280	129	5.55	3,099	22.55
Forklift Electric I-148099	3	30	40	129	5.55	l,769	47.80
Forklift-Electric M002708	4	30	44	129	5.55	l,791	40.73
Stock Truck used by the wild horse program	1,266	629	15,180	320	0.31	8,547	0.57
				TOTAL FOR ROCK SPRINtS DISTRICT		$85,164	
			CASPER DISTRICT				
Forklift	5	30	55	93	5.75	1,428	26.60
Backhoe (truck mounted)		0			0.15*		
Water Truck		0		0	0.60*		
Drill Truck		0		0	11.90*		
				TOTAL FOR CASPER DISTRICT		$1,428	
			AVERAGE ANNUAL USE STATEWIDE			$210,355	

* Indicates information shown is for one year only.